

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

This Document contains information affecting the National Defense of the United States, within the meaning of Title 18, Sections 793 and 794, of the U.S. Code, as amended. Its transmission or revelation of its contents to or receipt by an unauthorized person is prohibited by law. The reproduction of this form is prohibited.

SECRET/CONTROL - U.S. OFFICIALS ONLY

018615

COUNTRY	East Germany	REPORT		25X1
SUBJECT	Reorganization of the State Secretariat for the Administration of National Reserves	DATE DISTR.	25 May 1954	
		NO. OF PAGES	2	
DATE OF INFO.		REQUIREMENT NO.	RD	25X1
PLACE ACQUIRED		REFERENCES		

This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

25X1

- At the end of 1953, it became evident that the State Secretariat for the Administration of the National Reserves (Staatsssekretariat fuer die Verwaltung der Staatsreserve) was functioning badly. There were far too many people doing unessential jobs, there was confusion as to responsibilities, and the records of reserves held were in great disorder. The State Secretary, Udo Wange, was therefore dismissed from his post, and Stoph (fnu) appointed in his place. A large-scale reorganization of the staff and working methods was set in motion.
- The staff reorganization is now complete: personnel has been drastically cut, the storage and warehouse division abolished, the number of storehouses reduced, and the supervision of certain stocks (metals in particular) delegated to other organizations. The work of the State Secretariat is now chiefly carried out by two main departments. One controls all reserves of industrial products and is under Emil Mader. The other is in charge of food reserves and is headed by Herbert Mathe. Each department is responsible for its own warehouses. The previous system, by which mixed supplies of food, textiles, tires etc. were kept in the same warehouse, has been abolished.
- The department responsible for reserves of industrial products has now only some dozen warehouses at its disposition, the remainder having been either ceded entirely to the food reserve department, or to the DHZs. Those remaining under its control are as follows:

Tangermunde	- vehicles, tires, and spare parts for cars
Niederau	- timber, textiles, building materials, and ores
Forst	- paper, and leather
Oranienburg/Velten	- coal, coke, oil, and ores
Ruedersdorf	- cement
Ostritz	- motor vehicles
Stassfurt	- chemicals

SECRET/CONTROL - U.S. OFFICIALS ONLY

STATE	x	ARMY	x	NAVY	x	AIR	x	FBI		AEC						
-------	---	------	---	------	---	-----	---	-----	--	-----	--	--	--	--	--	--

(Note: Washington Distribution Indicated By "X"; Field Distribution By "#".)

SECRET/CONTROL - U.S. OFFICIALS ONLY

25X1

- 2 -

Rodewisch	- medical supplies
Guben	- mineral oil
Dresden DSU	- coal and oil
Riesa DSU	- coal and oil
Magdeburg DSU	- coal and oil

The warehouses that previously held metal stocks are progressively reducing their stocks; this operation should be completed by 30 September 1954. (thus, e.g., Oranienburg will by then have disposed of 1,225 tons of steel, Niederau 8,291 tons of semifinished steel products, and Leipzig-Rackwitz 10,690 tons of nonferrous metals).

4. Exact data on the state of the reserves is still being collated. The following specimen returns for the end of 1953 are, however, of interest:

Chemicals

Caustic soda	565 tons	(375 tons of this were destined for the Technisches Kontor in Gittersee near Dresden)
Borax	153 "	
Titanium dioxide	65 "	
Rubber	744 "	

Mineral oils

Gasoline	8,107 tons	made up as follows:
		DHZKM Halle 843 tons
		" Torgau 1,430 "
		DERUNAPHT Dresden 2,143 "
		" Magdeburg 3,691 "
Diesel fuel	8,756 "	made up as follows:
		DHZKM Halle 2,096 "
		" Dresden 6,660 "
Motor oil	1,410 "	made up of 647 tons in Magdeburg
		247 " " Halle,
		516 " " Riesa/Dresden

1. Comment: Stoph is a brother of Minister of the Interior Willi Stoph and has control over the department responsible for organizing supplies for the KVP. Stoph was formerly head of DIA Glas und Keramik.

25X1

SECRET/CONTROL - U.S. OFFICIALS ONLY